

Consumer Alert

Providing consumers with knowledge to make informed choices and decisions.



Don't Let These Unusual Credit Pitfalls Surprise You

Most consumers know about the major credit pitfalls – declaring bankruptcy, unpaid bills, etc. – but there are a number of factors creditors take into account that might surprise most consumers.

One such surprise is credit card companies that do not report their customer's credit limits. Credit card companies that engage in this practice are trying to shield their best clients, who have the highest credit limit, from other credit card companies.

Instead of releasing the consumer's credit limit they instead give the highest balance a customer has charged as a substitute for the limit. This, however, harms the consumer because it shows a disproportionately high debt utilization ratio, which is how much of the allotted credit available a customer is using. In short, it makes it appear the customer has maxed out their card when in reality they



have not.

Another credit hit most consumers are not aware of is the penalty for library fines and late parking tickets.

Local governments are more often turning to private collection agencies in an effort to recoup outstanding fines for such things as library fines, parking tickets, and traffic penalties. These agencies typically report the unpaid amount to credit bureaus, which of course factors into your credit score.

Consumers should protect themselves by asking their credit card company if they release their maximum credit limit. If the credit card company does not, the

consumer should consider closing the account. Consumers should also pay close attention to any fines or monetary penalties levied against them by local or state governments. If the fine is disputed in court stay on top of any deadlines and always make sure the account is settled in full.

Consumers are reminded their credit score is based on a number of factors, including but not limited to:

- Types of credit used: This includes credit cards, installment loans, mortgages, bank loans, and any other form of credit account.
- Payment History: This includes payments you are currently making, as well as any missed or late payments.
- Outstanding Debt: What do you have left that you owe?
- Length of Credit History: How long have you had credit?
- New Credit: What new credit accounts have you started?

Consumer Affairs Is Now Responsible for Preneed Funeral Contracts

The oversight of preneed funeral contracts has been transferred to the South Carolina Department of Consumer Affairs. The South Carolina General Assembly approved a measure giving the SCDCA authority to regulate preneed burial contracts.

More and more South Carolina consumers are entering into preneed contracts to purchase funeral goods

and services prior to death. In order to protect consumers, the law requires that the contracts be backed by a trust account with a bank or with an insurance policy issued through a licensed insurance company.

Danny Collins, Deputy of Regulatory Enforcement for SCDCA said, "The Department is trying to make the transition as smooth as possible and is looking forward to

working with the industry."

South Carolina funeral directors will continue to be regulated by the Board of Funeral Services at the Department of Labor, Licensing & Regulation. If you have questions or would like to know more about preneed burial service contact SCDCA, at (803) 734-4236 or 1-800-922-1594, or visit our website at www.sccconsumer.gov.



Gonococcal Conjunctivitis
Courtesy, Pacific University
College of Optometry

Going Blind To Look Good

Cosmetic contact lenses can be bad for your eyes

The demand for cosmetic contact lenses continues to increase, particularly among teenage girls and young women. Colored contact lenses are one of the fastest growing segments of the contact lens industry. Demand for the cosmetic contact lenses, however, has created a market for non-licensed vendors to sell the contacts without a prescription.

Consumer should be cautious when considering purchasing and using cosmetic contacts. Consider the following:

The Law: In S.C. it is illegal to sell or dispense contact lenses without a valid, current contact lens prescription from a licensed optometrist or ophthalmologist, even if you are selling color contacts or special effect contacts for cosmetic reasons only.

The Health Risks: There are several health risks associated with wearing cosmetic contact lens that are

not professionally prescribed, including but not limited to: eye infection, corneal swelling, allergic reaction, corneal abrasion, contrast sensitivity, eyesight reduction, sensitivity to light, and Tight Lens Syndrome, where the lens actually begins to stick to the eye because it is too small. In the most severe cases health problems caused by these contacts can result in blindness or eye loss.

The Right Way to Get Cosmetic Lenses:

- Get an eye exam from a licensed professional.
- Obtain a prescription that includes the size, shape, power, and brand of lenses. Many problems occur from cosmetic contact lenses that are too small and constrict the eyeball.
- Follow instructions for cleaning and wearing the lens.
- Schedule a follow-up appointment with your eye care professional.

Got Questions??? Ask Consumer Affairs

Think you have been a victim of a scam or just need general information about fraud protection?

Then log on to Ask Consumer Affairs, an interactive forum that provides you with great consumer information. Visit the South Carolina Department of Consumer Affairs website at www.sccconsumer.gov and click on LIVE HELP.

A communication specialist is there to assist you with any questions you may have Monday through Friday from 8:30 a.m. until 5:00 p.m. Or you can always reach us by phone at 803.734.4200 or toll free in S.C. at 1.800.922.1594.

The SCDCA is located at 3600 Forest Drive, on the corner of Forest Drive and Beltline Blvd., directly across from Richland Fashion Mall.

After Hours: Identity Theft and Credit Repair on Nov. 11

The South Carolina Department of Consumer Affairs will present a special session of After Hours on "Identity Theft and Credit Repair" from 10 a.m. to noon on November 11.

After Hours is an after business hours program aimed to educate South Carolina consumers. After Hours is typically held every third Tuesday of the month and features free consumer education seminars.

This month's After Hours will focus on identity theft and credit repair. Specialists will be present to give advice on what to do if you feel you have been the victim of identity theft, as well as credit counselors to help answer any credit repair questions.

After Hours is held at the SCDCA, located at 3600 Forest Drive, on the corner of Forest Drive and Beltline Blvd., directly across from Richland Fashion Mall. Light refreshments will be served.

Know an exemplary consumer advocate? Nominate them!

Nominations are now being accepted for the 2007 Consumer Spirit Awards.



The annual awards are given to persons and organizations that have demonstrated exemplary concern for consumers through informative services, advocacy

programs, investigation of consumer issues, or through legislation.

The Consumer Spirit Awards are separated into four categories: business, consumer, media, and legislative. Nominations in each field will be judged on strategy, execution, originality and creativity, and results.

Past winners include: Founders Federal Credit Union, Ann McGill, Margaret Brackett, Dr. John C. Ruoff, and Jan L. Warner.

A nomination application must be received by SCDCA via e-mail or mail by 5 p.m. on December 15, 2006.

Nominations can be found online at www.sccconsumer.gov or by mailing applications to: Consumer Spirit Award Selection Committee, c/o PI&E, PO Box 5757, Columbia, SC 29259.

The Commission on Consumer Affairs

Dr. Lonnie Randolph Jr., Chair, Columbia
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Wayne Keith Sims, Columbia
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Brandolyn Thomas Pinkston, Administrator
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About the South Carolina Department of Consumer Affairs:

Established by the Consumer Protection Code in 1974, the South Carolina Department of Consumer Affairs represents the interest of South Carolina consumers. Our mission is to protect consumers from inequities in the marketplace through advocacy, mediation, enforcement, and education. For more information on the SCDCA, visit www.sccconsumer.gov.